



County of Los Angeles
CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

DAVID E. JANSSEN
Chief Executive Officer

July 31, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS: DOCKWEILER STATE BEACH
YOUTH CENTER PROJECT
APPROVE REVISED PROJECT BUDGET
AWARD CONSTRUCTION CONTRACT
AWARD SUPPLEMENTAL AGREEMENT
SPECS. 6597; C.P. 69222
(FOURTH DISTRICT) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the revised project budget of \$6,775,000 for the Dockweiler State Beach Youth Center project.
2. Find that Gonzales Construction is the apparent lowest responsible bidder; and award a Construction Contract to Gonzales Construction in the amount of \$4,788,103 for the Dockweiler State Beach Youth Center project, funded by the General Fund, State Proposition 12 Fund, and the Vehicle License Fee Gap Loan Special Fund, subject to the satisfactory and timely completion by the contractor of a baseline construction schedule for the project and receipt by Public Works of acceptable and approved Faithful Performance and Labor and Materials Bonds and insurance certificates filed by the contractor.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

3. Delegate to the Director of Public Works the authority to determine, in accordance with the applicable Contract and bid documents, whether the contractor has satisfied the conditions for Contract award; and authorize the Director of Public Works to execute the Construction Contract, in the form previously approved by County Counsel, with Gonzales Construction and to establish the effective Contract date.
4. Award and authorize the Director of Public Works to execute Supplemental Agreement 5 with Randall Stout Architects to provide additional architectural/engineering services for a \$94,257 not-to-exceed fee.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The purpose of the recommended actions is to allow Public Works to proceed with construction of the Dockweiler State Beach Youth Center project.

The project consists of the construction of a new 8,800-square-foot building to accommodate the Department of Beaches and Harbors' Water Awareness, Training, Education, and Recreation (WATER) youth program. The WATER youth program provides opportunities for inner city and at-risk children to increase their awareness of ocean and beach safety through organized activities that provide skills, knowledge, and positive personal experiences. The Department anticipates an initial 15 percent increase in youth participation in the WATER youth program.

The new youth center will be constructed along the beach bluff and adjacent to the existing concession and restroom building at the southern portion of Dockweiler State Beach, just south of Imperial Highway on Vista del Mar and will include a multipurpose classroom, warming kitchen, storage for beach vehicles and program equipment, and administrative offices for management of the expanding program. When not in use by WATER, portions of the facility will be made available to the community for meetings, weddings, and other special events during nonpeak periods of the year.

Construction Contract Award

On March 6, 2007, your Board adopted the plans and specifications and authorized advertising for construction bids. On April 12, 2007, eight bids were received. CTP Construction, Inc., with a total bid of \$4,253,000, including \$4,206,000 for the base bid and \$47,000 for the one additive bid alternate, was the initial apparent lowest responsible bidder. On April 19, 2007, however, CTP Construction, Inc. requested that it be allowed to withdraw its bid due to an error in the preparation of the bid. On April 23, 2007, Public Works reviewed CTP Construction's explanation, found their

request to have merit, and approved the withdrawal of their bid in accordance with Public Contract Code, Sections 5101 and 5103.

Gonzales Construction is the next apparent lowest responsible bidder with a total bid of \$4,792,003, including \$4,764,648 for the base bid (inclusive of \$3,900 for development of baseline construction schedule) and \$27,355 for the addition of acoustical treatment to the building interior as an additive bid alternate. Gonzales Construction's bid is considered reasonable for the project scope of work. We are subsequently recommending award of a construction contract to Gonzales Construction. The bid results are summarized in Attachment B.

Consultant Services Agreement Supplement

On November 4, 2003, your Board awarded an agreement to Randall Stout Architects (RSA) to provide design, consultant, and construction administration services for the project for a \$193,050 not-to-exceed fee. Since that time, four Supplemental Agreements have been awarded to RSA for additional design services, increasing the total contract value to \$241,305. Under the original Agreement, RSA's fee for construction administration services was based on an eight-month construction duration, which matched the original project schedule for construction. The final project scope, however, will require an additional six months of construction, which in turn, extends the necessity for construction administration and support services. The recommended Supplemental Agreement will enable RSA to provide these extended services, under Public Works' management, for a not-to-exceed amount of \$94,257 and will increase RSA's total contract amount to \$335,562.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we provide Children and Families' Well-Being (Goal 5) by providing affordable professionally supervised aquatic activities for youth after school and during the summer and holidays, particularly for youth in the southern area of the County. The new youth center will also support the Countywide Strategic Plan Goal of Fiscal Responsibility (Goal 4) by making portions of the facility available for permitted private use when the facility is not in use by the County, generating projected revenues of \$50,000 per year. The California Coastal Commission has approved such use from the day after Labor Day to the day before Memorial Day.

FISCAL IMPACT/FINANCING

The recommended Construction Contract with Gonzales Construction is for \$4,788,103, not including the \$3,900 amount of a Consultant Services Agreement with Gonzales

Construction to prepare a construction baseline schedule. In addition, \$479,200 has been allocated as a change order allowance in the construction budget.

The total project cost, including plans and specifications, plan check, construction, equipment/utility connection fees, consultant services, miscellaneous expenditures, and County services, is currently estimated at \$6,775,000, which is \$1,975,000 more than the previously approved project budget of \$4,800,000. The proposed construction budget increase includes \$1,602,639 to award the Construction Contract based on the bid received, an additional \$160,264 in change order allowance, and \$60,000 for new utility connection service charges. An additional \$55,037 is reflected in the plans and specifications budget to accommodate the recommended supplement to the agreement with RSA. The project's budget for miscellaneous expenses and County services has been increased by \$13,200 and \$151,004, respectively and the budget for other consultant services has been reduced by \$67,144. The Project Schedule and Budget Summary are included in Attachment A.

Sufficient funding has been appropriated in the 2007-08 Capital Projects/Refurbishments Budget to complete the project, including \$1.975 million in net County cost, \$3.0 million in State Proposition 12 funds, and \$1.8 million in funds from the Vehicle License Fee Gap Loan Special Fund.

Operating Budget Impact

Following completion of the project, scheduled for November 2008, Beaches and Harbors anticipates an estimated one-time start-up cost of \$251,000 to provide equipment, furnishings, and appliances; and an increase in ongoing operating costs of \$359,000, including staffing, supplies, leased office machines, services Contracts, including janitorial and security, utilities and maintenance costs, and additional Fire Ocean Lifeguard services.

Funding for one-time and ongoing costs will be requested in the Beaches and Harbors' Fiscal Year 2008-09 Proposed Budget Request and reviewed by the Chief Executive Office.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard Construction Contract, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses that provide for Contract termination, renegotiation, and hiring qualified displaced County employees will be included.

The project specifications contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the Contract if it is found that the contractor offered or gave improper consideration to County employees.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for Contract award, Gonzales Construction is willing to consider Greater Avenues for Independence Program/General Relief Opportunity for Work participants for future employment.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, about Board Policy 5.135 (Safely Surrendered Baby Law) and that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

Gonzales Construction is in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

ENVIRONMENTAL DOCUMENTATION

On March 6, 2007, pursuant to the California Environmental Quality Act, your Board adopted an Addendum to the Mitigated Negative Declaration and Mitigation Monitoring Program of Dockweiler State Beach General Plan Amendment. On May 31, 2007, Public Works filed a Notice of Determination for a Mitigated Negative Declaration with the Registrar-Recorder/County Clerk of the County of Los Angeles.

CONTRACTING PROCESS

On March 6, 2007, your Board adopted the plans and specifications and authorized advertising for construction bids. On April 12, 2007, eight bids were received. CTP Construction, Inc., with a total bid of \$4,253,000, including \$4,206,000 for the base bid and \$47,000 for the one additive bid alternate, was the initial apparent lowest responsible bidder. However, on April 19, 2007, CTP Construction, Inc., requested that they be relieved from their bid pursuant to Public Contract Code, Sections 5101 and 5103, and be allowed to withdraw the bid. On April 23, 2007, Public Works reviewed CTP Construction's explanation of a clerical error in preparing the bid, found their request to have merit, and approved the withdrawal of their bid.

Gonzales Construction is the next apparent lowest responsible bidder with a total bid of \$4,792,003, including \$4,764,648 for the base bid (inclusive of \$3,900 for development of baseline construction schedule) and \$27,355 for the one additive bid alternate. Gonzales Construction's bid is considered reasonable for the project scope of work.

Based on current market conditions, we do not anticipate receiving more favorable bids by readvertising the project. Therefore, we are recommending that your Board award the Construction Contract to Gonzales Construction for the sum of \$4,788,103, including the lump sum base bid and the one additive bid alternate (a stretch-fabric acoustical surface treatment), minus the amount of the Consultant Services Agreement to develop the baseline construction schedule. Public Works issued a Notice to Proceed to Gonzales Construction on June 28, 2007, to commence the scheduling services. Execution of the Construction Contract is subject to the satisfactory and timely completion by the contractor of a baseline construction schedule and receipt by Public Works of acceptable and approved Faithful Performance and Labor and Materials Bonds and insurance certificates filed by the contractor.

Upon request by Public Works, Gonzales Construction and subcontractors on June 25, 2007, extended their bid to August 10, 2007. This response by Gonzales Construction allows adequate time for Board action to award the Construction Contract.

In March 2006, Public Works obtained an independent construction cost estimate, which predicted a construction cost of \$3,237,409 for the project. In April 2007, the independent construction estimate was updated to \$4,095,000 considering current market conditions, escalation, and construction document corrections over the past year while the project was in agency plan check and constructability review.

The lowest bid by CTP Construction, which was withdrawn, was 4 percent higher than the projected construction estimate. Gonzales Construction's bid, at 17 percent above the estimate, may be more representative of a competitive bid in today's market place.

As requested by your Board on February 3, 1998, this Contract opportunity was listed on the "Doing Business with Us" website as shown in Attachment C.

Gonzales Construction's Community Business Enterprise participation data and three-year contracting history with the County are on file with Public Works.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

During construction, scheduled to begin in September 2007 there will be certain beach use limitations. However, construction will be scheduled to maintain a substantial level of service and access to the beach. Temporary facilities for public use will be provided during the project construction periods when utilities serving the adjacent existing concession/restroom building are interrupted.

CONCLUSION

Please return an adopted copy of this letter to the Chief Executive Office (Capital Projects Division), Beaches and Harbors, and Public Works (Project Management Division I).

Respectfully submitted,



DAVID E. JANSSEN
Chief Executive Officer

DEJ:WTF:DL

JSE:DJT:SW

Attachments (3)

- c: County Counsel
Department of Beaches and Harbors
Office of Affirmative Action Compliance (Ozie Smith)
Department of Public Social Services (GAIN/GROW Program)
Department of Public Works (Project Management I)

July 31, 2007

ATTACHMENT A

**DEPARTMENT OF PUBLIC WORKS: DOCKWEILER STATE BEACH
YOUTH CENTER PROJECT
APPROVE REVISED PROJECT BUDGET
AWARD CONSTRUCTION CONTRACT
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SPECS. 6597; C.P. 69222**

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date
Award Design Contract	11/04/03*
Execute Design Contract	11/24/03*
Schematic Design	03/25/04*
Design Development	06/04/04*
Construction Documents	12/22/05*
Jurisdictional Approvals	12/11/06*
Construction Contract Award	07/31/07
Construction Start	09/11/07
Substantial Completion	11/03/08
Final Acceptance	02/03/09

* Actual completion date.

II. PROJECT BUDGET SUMMARY

Budget Category	Board-Approved Project Budget	Impact of this Action	Revised Project Budget
Plans and Specifications			
Basic Design Services	\$ 128,487	\$ 0	\$ 128,487
Construction Administration	68,983	55,037	124,020
Additional/Reimbursable Services	<u>83,055</u>	<u>0</u>	<u>83,055</u>
Total Plans and Specifications	\$ 280,525	\$ 55,037	\$ 335,562
Plan Check	\$ 25,000	\$ 0	\$ 25,000
Construction Contract*	\$3,189,364	\$1,602,639	\$4,792,003*
Change Order Allowance	318,936	160,264	479,200
Utility Connection Fees	<u>50,000</u>	<u>60,000</u>	<u>110,000</u>
Total Construction	\$3,558,300	\$1,822,903	\$5,381,203
Equipment	\$ 25,000	\$ 0	\$ 25,000
Other Consultant Services	\$ 198,445	\$ (67,144)	\$ 131,301
Miscellaneous Expenditures	\$ 8,000	\$ 13,200	\$ 21,200
County Services	\$ 704,730	\$ 151,004	\$ 855,734
TOTAL	\$4,800,000	\$1,975,000	\$6,775,000

* Includes \$3,900 Consultant Agreement for baseline construction schedule.

July 31, 2007

ATTACHMENT B

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BID SUMMARY

Description of Project:

The project consists of constructing a new approximately 8,800-square-foot building to accommodate the Department of Beaches and Harbors' Water Awareness, Training, Education, and Recreation (WATER) youth program, including a multipurpose classroom, warming kitchen, storage for beach vehicles and program equipment, and administration offices to manage the expanding program. When not in use by WATER, the facility will be made available to the community for meetings, weddings, and other special events during nonpeak periods of the year.

The additive bid alternate will provide a stretch fabric acoustical wall system.

Bid Opening Date: April 12, 2007

Fair Construction Cost Estimate: \$4,095,000

Bid Summary:

The lowest bid was determined as the lowest total of the base bid plus the additive bid alternate.

Contractor's Name	Lump Sum Base Bid	Additive Alternative No. 1	Total Bid
CTP Construction*	\$ 4,206,000	\$ 47,000	\$ 4,253,000
Gonzales Construction	\$ 4,764,648	\$ 27,355	\$ 4,792,003
G2000 Construction	\$ 4,790,000	\$115,000	\$ 4,905,000
Hanan Construction, Inc.	\$ 4,986,000	\$ 48,000	\$ 5,034,000
USS Cal Builders	\$ 5,164,000	\$ 96,800	\$ 5,260,800
Woodcliff Corp.	\$ 5,695,000	\$100,000	\$ 5,795,000
Moment Construction	\$ 5,707,000	\$ 97,000	\$ 5,804,000
Minako America Corp.	\$ 5,977,000	\$277,000	\$ 6,254,000

* On April 23, 2007, Public Works accepted CTP Construction's April 19, 2007, request to withdraw their bid.

July 31, 2007

ATTACHMENT C

**DEPARTMENT OF PUBLIC WORKS: DOCKWEILER STATE BEACH
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"DOING BUSINESS WITH US" WEBSITE

Bid Solicitation

Bid Number : Spec. No. 6597

Bid Title : Dockweiler Youth Center Project

Bid Type : Construction

Department : Public Works

Commodity : Construction Service, General (Digging, Ditching, Road Grading, Rock Stabilization, etc)

Open Date : 3/6/2007

Closing Date : 4/12/2007 11:00 AM

Bid Amount : N/A

Bid Download : Not Available

Bid Description : The project consists of constructing a new approximately 8,800-square-foot building to accommodate Beaches and Harbors' Water Awareness, Training, Education, and Recreation (WATER) youth program, including a multipurpose classroom, warming kitchen, storage for beach vehicles and program equipment, and administration offices to manage the expanding program.

This project requires an A or B license classification at time of bid. Copies of plans and specifications can be obtained at the Department of Public Works, Cashier's Office, Mezzanine, 900 South Fremont Avenue, Alhambra, California 91803 for \$50. Bids are due no later 10:45 AM on 4/12/07, and bids will be opened at 11:00 AM on this date in Conference Room D, 1st Floor. Notice to Bidders A was released on April 9, 2007, notifying plan holders of minor corrections to the Project Manual.

Contact Name : Kathleen Gandara

Contact Phone# : (626) 458-2566

Contact Email : kgandaraGonzalesdpw.lacounty.gov

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